

**§ 833q. Educational costs of dependents of employees; payments to school districts; reimbursement from continuing fund**

Under regulations prescribed by the Secretary of the Army, payments may be made, in advance or otherwise, from any funds available for the Fort Peck project, Montana, to the school district or districts serving that project as reimbursement for educational facilities (including, where appropriate, transportation to and from school) furnished by the said district or districts to pupils who are dependents of persons engaged in the construction, operation, and maintenance of the project and living at or near Fort Peck upon real property of the United States not subject to taxation by State or local agencies and upon which payments in lieu of taxes are not made by the United States, which payments for any school year shall not exceed that part of the cost of operating and maintaining such facilities which the number of pupils aforesaid in average daily attendance during that year bears to the whole number of pupils in average daily attendance at those schools during that year: *Provided*, That of the whole amount so paid in any fiscal year, the Bureau of Reclamation, Department of the Interior, shall reimburse the Secretary of the Army from the continuing fund provided in section 833i of this title, that part which is properly chargeable as an operation expense incident to the generation and transmission of power delivered to the Bureau under said section.

(June 3, 1948, ch. 389, 62 Stat. 297.)

CODIFICATION

Section was not enacted as part of act May 18, 1938, which comprises this chapter.

TRANSFER OF FUNCTIONS

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

**CHAPTER 12D—COLUMBIA BASIN PROJECT**

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**§ 835. Project authorized; laws applicable**

In addition to the primary purposes for which the Grand Coulee Dam project (hereafter to be known as the Columbia Basin project and herein called the "project") was authorized under the provisions of the Act of August 30, 1935 (49 Stat. 1028), the project is authorized and reauthorized as a project subject to the Reclamation Project Act of 1939; and the provisions of each of those two Acts together with the provisions of this Act shall govern the repayment of expenditures and the construction, operation, and maintenance of the works constructed as a part of the project.

(May 27, 1937, ch. 269, § 1, 50 Stat. 208; Mar. 10, 1943, ch. 14, 57 Stat. 14.)

REFERENCES IN TEXT

Act of August 30, 1935 (49 Stat. 1028), referred to in text, is act Aug. 30, 1935, ch. 831, 49 Stat. 1028, as amended, which act, by section 2, authorized the construction of the Grand Coulee Dam.

The Reclamation Project Act of 1939, referred to in text, is act Aug. 4, 1939, ch. 418, 53 Stat. 1187, as amended, which is classified generally to sections 375a, 387 to 389, 485 to 485h, and 485i to 485k of Title 43, Public Lands. For complete classification of this Act to the Code, see section 485k of Title 43 and Tables.

Those two Acts, referred to in text, refer to the act of Aug. 30, 1935, and to the Reclamation Project Act of 1939. See notes above.

This Act, referred to in text, is act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, known as The Columbia Basin Project Act, which enacted this section, sections 835a to 835c-5 of this title, and provisions set out as a note under this section. For complete classification of this Act to the Code, see Short Title note set out under this section and Tables.

AMENDMENTS

1943—Act Mar. 10, 1943, amended section generally.

SHORT TITLE

Act May 27, 1937, ch. 269, § 11, as added by Mar. 10, 1943, ch. 14, 57 Stat. 20, provided that: "This Act [enacting this section, sections 835a to 835c-5 of this title, and provisions set out as a note below] may be cited as 'The Columbia Basin Project Act'."

SEPARABILITY

Act May 27, 1937, ch. 269, § 10, as added by Mar. 10, 1943, ch. 14, 57 Stat. 20, provided that: "If any provision

of this Act [see Short Title note above] or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby."

#### TRANSFER OF FUNCTIONS

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

#### § 835-1. Laws governing

The Columbia Basin project shall be governed by the Federal reclamation laws, being the Act of June 17, 1902 (32 Stat. 388), and all Acts amendatory thereof or supplementary thereto.

(Pub. L. 87-728, § 3, Oct. 1, 1962, 76 Stat. 678.)

#### REFERENCES IN TEXT

Act of June 17, 1902 (32 Stat. 388), referred to in text, is act June 17, 1902, ch. 1093, 32 Stat. 388, popularly known as the Reclamation Act, which is classified generally to chapter 12 (§371 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 371 of Title 43 and Tables.

#### CODIFICATION

Section is derived from part of section 3 of Pub. L. 87-728. Remainder of such section amended section 835c of this title, and repealed sections 835a, 835b, 835c-3, and 835c-5 of this title.

#### TRANSFER OF FUNCTIONS

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

#### §§ 835a, 835b. Repealed. Pub. L. 87-728, § 3, Oct. 1, 1962, 76 Stat. 678

Section 835a, acts May 27, 1937, ch. 269, § 2, 50 Stat. 210; Mar. 10, 1943, ch. 14, 57 Stat. 14; Sept. 26, 1950, ch. 1048, § 1(1), (2), 64 Stat. 1037; Sept. 2, 1957, Pub. L. 85-264, § 1(a)-(c), 71 Stat. 590, related to the use of project appropriations for irrigation features; appraisals and reappraisals of lands; contracts with subdivisions of state; irrigation blocks; boundaries as determining right to water; temporary delivery to excess lands; definition of owners, community property; necessity of execution of recordable contract; contractual requirements; filing of instruments.

Section 835b, acts May 27, 1937, ch. 269, § 3, 50 Stat. 210; Mar. 10, 1943, ch. 14, 57 Stat. 18; Sept. 26, 1950, ch. 1048, § 1(3), 64 Stat. 1037, related to consideration for conveyance of lands.

#### SAVINGS PROVISION

Pub. L. 87-728, § 5(b), Oct. 1, 1962, 76 Stat. 679, provided that: "The rights of any vendee or grantee as defined in section 3 of the Columbia Basin Project Act of 1943 [section 835b of this title] are hereby preserved as to any transactions that were consummated by contract or deed prior to repeal of said section 3 by this Act."

#### AMENDATORY REPAYMENT CONTRACT

Pub. L. 87-728, § 1, 2, Oct. 1, 1962, 76 Stat. 677, 678, provided: "That the amendatory repayment contract with

the Quincy Columbia Basin Irrigation District negotiated by the Secretary of the Interior, pursuant to subsection (a) of section 7 of the Reclamation Project Act of 1939 (53 Stat. 1192; 43 U.S.C. 485f) [section 485f(a) of Title 43, Public Lands], which contract was approved by the district electors on February 13, 1962, is hereby approved and the Secretary is hereby authorized to execute it on behalf of the United States and to negotiate and execute on behalf of the United States amendatory repayment contracts in substantially the same form or amendatory repayment contracts containing substantially the same provisions with the South and East Columbia Basin Irrigation Districts.

"SEC. 2. Upon any amendatory repayment contract with a Columbia Basin Irrigation District approved or authorized by this Act [enacting section 835-1 of this title, amending section 835c, 835c-1, 835c-2, 835c-4 of this title, repealing sections 835a, 835b, 835c-3, and 835c-5 of this title, and enacting provisions set out as notes under sections 835a, 835b, and 835c of the title] becoming effective to bind the United States, that district's share of the operation and maintenance funds expended or obligated for the construction of drainage works including appropriate interest thereon during calendar years 1960, 1961, and 1962 shall be capitalized and charged as a part of the construction cost of the project assigned directly to irrigation and the Secretary shall either refund to it or give it credit for (as it may elect) all operation and maintenance payments (including interest paid by it in connection therewith) which it has made for the construction of drainage works during those years, such credit, if so elected by the district, to be applied against future development period and/or construction charges of the district as they become due."

#### SALE OF PROJECT LANDS TO STATE OF WASHINGTON

Pub. L. 86-52, June 23, 1959, 73 Stat. 87, provided: "That notwithstanding any provisions of sections 2(b)(iii), 2(b)(iv), and 4(b) of the Columbia Basin Project Act, as amended [former section 835a(b)(iii), (iv) of this title and section 835c(b) of this title] (16 U.S.C., ch. 12D) [this chapter], conformed farm units, or portions of farm units, comprising not more than six hundred and forty acres of irrigable land on the Columbia Basin project may be sold by the Secretary of the Interior and others to the State of Washington for use by the State College of Washington for agricultural research purposes, and water may be delivered from, through, or by means of the project works to or for conformed farm units comprising no more than that acreage, as non-excess lands, whether so acquired or already held by the State, as long as they are used for those purposes. Except as otherwise provided in this Act, any lands sold to the State under this Act shall be governed by the provisions of the Columbia Basin Project Act, as amended [sections 835, 835a to 835c-5 of this title] and regulations of the Secretary issued pursuant thereto."

Pub. L. 86-52 was amended to permit delivery of water to State owned lands, see section 7 of Pub. L. 87-728, set out as a note below.

#### DELIVERY OF WATER TO STATE OWNED LAND

Pub. L. 87-728, § 7, Oct. 1, 1962, 76 Stat. 679, provided that: "The Act of June 23, 1959 (73 Stat. 87) [set out as a note above] is hereby amended to permit delivery of water to not to exceed six hundred and forty acres of irrigable lands whether or not said lands are in conformed farm units, owned by the State of Washington for use by the Washington State University for agricultural research purposes."

#### DELIVERY OF WATER TO FARMS PLATTED PRIOR TO OCTOBER 1, 1962, EXCEEDING 160 ACRES

Pub. L. 87-728, § 5(a), Oct. 1, 1962, 76 Stat. 679, provided that: "Notwithstanding the provisions of the Federal reclamation laws [for definition, see section 835-1 of this title], water may be delivered to farm unit platted before the enactment of this Act [Oct. 1, 1962] that con-

tains a nominal quarter section of land exceeding one hundred and sixty irrigable acres insofar as those provisions limit the delivery of water to irrigable lands in excess of one hundred and sixty irrigable acres.”

### § 835c. Duties of Secretary of the Interior

#### (a) Administer, sell, and exchange lands, dedicate portions for public purposes, etc.

For the purposes of assisting in the permanent settlement of farm families, protecting project land, and facilitating project development, the Secretary is authorized to administer public lands of the United States in the project area and lands acquired under this section; to sell, exchange, or lease such lands; to dedicate portions of such lands for public purposes in keeping with sound project development; to acquire in the name of the United States, at prices satisfactory to him, such lands or interests in lands, within or adjacent to the project area, as he deems appropriate for the protection, development, or improvement of the project; and to accept donations of real and personal property for the purposes of this Act. Any moneys realized on account of donations for purposes of this Act shall be covered into the Treasury as trust funds.

#### (b) Terms of contracts; qualifications of applicants; prohibited disposals

Contracts, exchanges, and leases made under this section shall be on terms that, in the Secretary's judgment, are in keeping with sound project development. In addition, land sale and exchange contracts shall be on a basis that, in the Secretary's judgment, provides for the return, in a reasonable period of years, of not less than the appraised value of the land and improvements thereon. Qualification of applicants for the purchase of land for irrigation farming shall be prescribed as provided in section 433 of title 43, notwithstanding any other provisions of law. No farm unit shall be sold to, and no contract to sell a farm unit shall be entered into with, any person, corporation, or joint-stock association which has theretofore purchased or entered into a contract to purchase a farm unit from the United States on the Columbia Basin project. The foregoing provisions of this subsection shall apply only to the sale of farm units which are suitable for settlement purposes. Farm units which, in the opinion of the Secretary, are not suitable for settlement purposes may be sold with a preference to resident project landowners as supplemental units, subject to the applicable irrigable acreage limitations on the delivery of water, but the purchasers thereof shall not be entitled to benefits of the Act of August 13, 1953 (67 Stat. 566) [43 U.S.C. 451 et seq.] with respect thereto.

(May 27, 1937, ch. 269, § 4, 50 Stat. 210; Mar. 10, 1943, ch. 14, 57 Stat. 18; Sept. 26, 1950, ch. 1048, § 1(4), 64 Stat. 1037; Pub. L. 85-264, § 1(d), Sept. 2, 1957, 71 Stat. 591; Pub. L. 87-728, § 3, Oct. 1, 1962, 76 Stat. 678.)

#### REFERENCES IN TEXT

This Act, referred to in subsec. (a), is act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, known as The Columbia Basin Project Act, which enacted this section, sections 835, 835a, 835b,

and 835c-1 to 835c-5 of this title, and provisions set out as a note under section 835 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 835 of this title and Tables.

Act of August 13, 1953, referred to in text, is act Aug. 13, 1953, ch. 428, 67 Stat. 566, as amended, which is classified generally to subchapter VII (§ 451 et seq.) of chapter 12 of Title 43, Public Lands. For complete classification of this Act to the Code, see Tables.

#### AMENDMENTS

1962—Subsec. (a). Pub. L. 87-728 struck out provisions stating as a purpose of this section the prevention of speculation in project lands, and deleted from among the duties of the Secretary, those to establish town sites on such lands, and to disseminate information by appropriate means and methods.

Subsec. (b). Pub. L. 87-728 authorized farm units which are not suitable for settlement purposes to be sold with a preference to resident project landowners as supplemental units, subject to the applicable irrigable acreage limitations on the delivery of water, and prohibiting purchasers thereof from receiving benefits of the Act of August 13, 1953, with respect thereto, eliminated provisions which required land sale and exchange contracts, in the case of lands to be included in farm units, to provide for the application of provisions similar to those of the recordable contracts provided under section 835a(c) of this title, and each applicant for the purchase of land for irrigation farming to agree that he, his heirs and assigns will not, except with the Secretary's approval, sell, assign, lease, or otherwise dispose of his land during a period ending five years from the date of his purchase contract, and prohibiting applications for a farm unit from any person who, or a member of whose family, then has outstanding another application for a farm unit on the project or to whom a farm unit could not at the time of application lawfully be sold under sections 835 and 835a to 835c-5 of this title, substituted provisions prohibiting the sale of a farm unit to, and the entering into a contract to sell a farm unit with, any person, corporation, or joint-stock association which has theretofore purchased or entered into a contract to purchase a farm unit from the United States on the Columbia Basin project for provisions which prohibited the sale of a farm unit to, and the entering into a contract to sell a farm unit with, any person, corporation, joint-stock association, or family which has theretofore purchased or entered into a contract to purchase a farm unit under sections 835 and 835a to 835c-5 of this title or which then owns a farm unit within the Columbia Basin project, but not precluding a purchase or contract to purchase by a person, otherwise eligible, whose farm unit has been or is acquired by the United States for exchange purposes or, if he is 18 years of age or older, whose family purchased or entered into a contract to purchase a farm unit at a time when he was under 18 years of age.

1957—Subsec. (b). Pub. L. 85-264 inserted provisions to require applicant's agreement not to dispose of his land for 5 years from the date of his purchase contract except with approval of Secretary, to prohibit receiving application from a person who, or a member of whose family, has outstanding another application, or to whom a unit could not at the time of application be lawfully sold, and to prohibit sale or contracts of sale with those who theretofore purchased or contracted to purchase, a unit under sections 835 and 835a to 835c-5 of this title, or then own a unit within the project.

1950—Subsec. (b). Act Sept. 26, 1950, permitted the Secretary to make recordable contract provisions applicable to lands to be included in farm units.

1943—Act Mar. 10, 1943, amended section generally.

#### AMENDMENT OF CONTRACTS, INSTRUMENTS, RULES, REGULATIONS, FORMS, AND PROCEDURES

Pub. L. 87-728, § 4, Oct. 1, 1962, 76 Stat. 679, provided that: “The Secretary is hereby authorized and directed to amend or modify all existing contracts, instruments,

rules, regulations, forms, and procedures entered into or issued under the Columbia Basin Project Act, as amended (16 U.S.C., chap. 12D) [sections 835 and 835a to 835c-5 of this title] prior to the date of enactment of this act [Oct. 1, 1962] to conform to the provisions of this Act [enacting section 835-1 of this title, amending sections 835c, 835c-1, 835-2, 835c-4 of this title, repealing sections 835a, 835b, 835c-3, and 835c-5 of this title, and enacting provisions set out as notes under sections 835a and 835b of this title].”

AMENDMENT OF CONTRACTS, DEEDS OR DOCUMENTS BY SECRETARY

Pub. L. 85-264, §2, Sept. 2, 1957, 71 Stat. 591, provided that: “The Secretary of the Interior is authorized to amend any contract, which has been entered into prior to the date of enactment of this Act [Sept. 2, 1957], or any existing deed or other document to conform with the provisions of the first section of this Act [amending this section and section 835a of this title]. The consent of the United States is hereby given to the recording, at the expense of the party benefited thereby, of any such amendment.”

COULEE DAM COMMUNITY ACT OF 1957

Pub. L. 85-240, Aug. 30, 1957, 71 Stat. 524, provided:

“[SEC. 1. PURPOSE LANDS INCLUDED]. That it is the purpose of this Act, in connection with the Columbia Basin project, to authorize the disposal of certain Federal property in the unincorporated area in the State of Washington commonly known as the town of Coulee Dam in order that the United States may withdraw from the ownership and operation of the town and that the people of that area may enjoy self-government, to facilitate the establishment by them of a municipal corporation under the laws of the State of Washington, and to authorize the disposal of certain Federal property in and in the immediate vicinity of the city of Grand Coulee, Washington, in order to reduce restrictions on the growth thereof. The area herein referred to as the town area is situated in Douglas, Grant, and Okanogan counties and comprises the following lands:

“Douglas County: Township 29 north, range 30 east, Willamette meridian, section 36, lots 2, 3, 4, east half southwest quarter and southwest quarter southwest quarter.

“Grant County: Township 28 north, range 30 east, Willamette meridian, section 1, lots 1 and 2.

“Okanogan County: Township 28 north, range 31 east, Willamette meridian, section 6, lot 3.

“Township 29 north, range 30 east, Willamette meridian, section 36, lots 5, 6, and 7.

“Township 29 north, range 31 east, Willamette meridian, section 30, all those portions of the south 300 feet of lot 4 included within the area conveyed to the United States of America by warranty deed executed by Charles E. Hopkins, and others on September 11, 1946, and recorded in book 107 of deeds at pages 175 and 176 under Okanogan County auditor's file numbered 346972 and by warranty deed executed by Charles E. Hopkins, and others on November 7, 1945, recorded in book 102 of deeds at pages 441 and 442 under Okanogan County auditor's file numbered 339487.

“Section 31, west half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, northwest quarter northwest quarter southeast quarter, and lots 1, 2, 3, and 4.

“The area herein referred to as the Grand Coulee area is situated in Grant County and comprises the following lands:

“Township 28 north, range 30 east, Willamette meridian, section 11, south one-half north one-half north one-half southwest one-quarter, northeast one-quarter southeast one-quarter.

“The term ‘the municipality’, as used in this Act, refers to any municipal corporation organized hereafter embracing any part of the town area described.

“SEC. 2. [AUTHORITY OF SECRETARY TO SELL PROPERTY]. Except for property, disposal of which is author-

ized under section 6 of this Act, the Secretary of the Interior, hereinafter referred to as the Secretary, is authorized to sell all lands and improvements situated in the town and Grand Coulee areas which was acquired or built by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works and which is not needed for Federal purposes. Such disposals shall be made in accordance with the terms and conditions set forth in section 3 of this Act, but lands to be sold in the Grand Coulee area shall be sold at public sale to the highest responsible bidder.

“SEC. 3. [MANNER OF DISPOSAL PRIORITY OF PURCHASERS; TERMS OF SALE]. (a) All land authorized to be sold under section 2 of this Act which, when offered for sale, is occupied by improvements owned by the United States shall be sold with the improvements in place.

“(b) Of the property authorized to be sold under section 2 of this Act, lands in the town area occupied by dwelling units shall be sold in accordance with the following terms and conditions:

“(1) First priority to purchase shall be given to the tenant of the United States in the town area who occupies the land and dwelling unit to be sold. The land and dwelling unit shall be offered at the appraised value as established under section 5 less any applicable discounts under this Act. This right of priority shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by him before the expiration of sixty days after the date on which the property has been offered for sale, and the right of priority shall be deemed abandoned unless within an additional one hundred and eighty days the prospective purchaser shall have signed a contract to purchase the property.

“Any tenant having a priority under (1) who desires to continue to rent the property occupied by him rather than to purchase it may assign his priority to a person who has entered into a valid contract to lease the property back to him. The Secretary may permit such other assignments of priorities under (1) as he finds to be fair and equitable. Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this Act.

“(2) Second priority to purchase shall apply to property in the town area not purchased under (1) and shall be given to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing, but spouses of such applicants shall not be entitled to apply. Sales shall be at the appraised value as established under section 5, less applicable discounts under this Act. Selection of dwelling units by successful applicants, to be accompanied by a deposit of earnest money fixed as under (1), shall be concluded within limits of time established by the Secretary, and thereafter the purchase shall be concluded in the same manner as provided under (1). A purchase under (1) or (2) shall render the purchaser and any spouse of such purchaser ineligible thereafter to purchase under either (1) or (2).

“(3) Property not sold under (1) or (2) shall be opened to bids from the general public and shall be sold to the highest responsible bidder.

“(c)(1) Of the property authorized to be sold under section 2 of this Act, land in the town area occupied by privately owned improvements shall be offered for sale to the owner of such improvements at the appraised value as established under section 5 less applicable discounts under this Act. This preference right shall expire unless a deposit of earnest money in an amount to

be fixed by the Secretary is received by the Secretary before the expiration of sixty days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b)(1) of this section.

“(2) Land not purchased by the owner of the improvements (except church or hospital improvements) thereon under (1) shall be made available for sale for a period of thirty days to those eligible for purchase under subsection (f) of this section, and thereafter shall be opened to bids from the general public and sold to the highest responsible bidder.

“(3) Land with church or hospital improvements thereon which has not been purchased by the owners of the improvements under (1) may be disposed of by advertising and competitive bids, or by negotiated sale or other transfer at such prices and on such other terms and conditions as the Secretary shall determine to be fair and equitable.

“(d)(1) Of the property authorized to be sold under section 2 of this Act, land in the town area occupied by improvements owned by the United States other than dwelling units shall be offered to the lessee of the United States in such improvements at the appraised value as established under section 5 less applicable discounts under this Act: *Provided*, That where there is more than one lessee in a given improvement and the Secretary finds it impractical to offer each lessee an interest in the property, the Secretary, pursuant to such standards as he deems appropriate, shall designate an order of priority among such lessees for acceptance of the offer of sale of such property, which shall be sold at the appraised value as established under section 5 less applicable discounts under this Act and pursuant to such other terms and conditions as the Secretary deems proper. Any preference or priority right under this paragraph shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of sixty days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b)(1) of this section.

“(2) Property referred to in (1) which is not under lease granted by the United States or which has not been purchased under (1) shall be made available for sale for a period of thirty days to those eligible for purchase under subsection (f) of this section and thereafter may be opened to bids from the general public and sold to the highest responsible bidder.

“(e) Of the property authorized to be sold under section 2 of this Act, land in the town area which has not been improved or land from which the improvements have been removed shall be sold in accordance with the following terms and conditions.

“(1) Residential property in the town area shall be offered for sale to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing. No application shall be accepted from the spouse of any applicant or from a person, or the spouse of such person, who owns, has owned, or has contracted to buy other residential property in the town area. Sales shall be at the appraised value as established under section 5 less applicable discounts under this Act, and selection and purchase under this priority by successful applicants shall be concluded within limits of time to be established by the Secretary. Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder.

“(2) Property which at the time of sale is zoned for other than residential use, except such as is disposed of under subsection (f) of this section and land with church or hospital improvements thereon, shall be open

to bids from the general public and shall be sold to the highest responsible bidder.

“(f) Of the property in the town area authorized to be sold under section 2 of this Act, except that which is covered by subsections (b), (c)(3), and (e)(1) of this section, land not purchased by the holders of a priority or preference under this section shall, for thirty days following the period during which holders of a priority or preference could purchase the same, be offered for sale at the appraised value as established under section 5 less applicable discounts under this Act to persons leasing property in the town area from the United States for business or commercial uses. The Secretary may, in his discretion, permit more than one lot to be included in a single purchase, but only if the property to be purchased is compact and contiguous. If two or more applicants to purchase under this subsection desire the same property, their order of opportunity to purchase shall be determined pursuant to a public drawing. A purchase under this subsection shall render the purchaser and any spouse of such purchaser ineligible either to make an additional purchase under this subsection or to purchase the business or commercial property he is renting from the United States.

“(g) Any improvement owned by the United States located on lands in the town area subject to being purchased by the holder of a priority or preference right hereunder and not purchased, after being offered for sale, within one year following the expiration of the period within which the priority or preference right can be exercised, may be opened to bids from the general public and may be sold to the highest responsible bidder.

“(h) In all public sales of property under this Act to the highest responsible bidder, which shall include all sales of property to be sold in the Grand Coulee area, the Secretary shall reserve the right to reject all bids; and, in the event all bids are less than the appraised value of the property as established under section 5 or in the event no bids are received, the property shall be available for sale to the first taker from the general public at not less than aforesaid appraised value until all such property has been sold.

“(i)(1) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (b)(1) or (b)(2) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 per centum of the appraised value of the property as established under section 5 less applicable discounts under this Act and the remainder of the repayment obligation shall be paid on terms as to amount, repayment period, installments, and interest rate not more favorable to the purchasers than those which would be available were the purchases to be financed under mortgages eligible for insurance under subsection 223(a) of the National Housing Act, as herein amended [section 1715n(a) of Title 12]: *Provided*, That the Secretary may increase the interest rate by additional components equal to the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for property of a similar character) under subsection 223(a) of the National Housing Act, as herein amended [section 1715n(a) of Title 12], at the effective date of the aforesaid contracts.

“(2) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (c)(1), (d)(1), or (f) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a down payment of more than 10 per centum of the appraised value of the property as established under section 5, less applicable discounts under this Act. The remainder of the repayment obligation shall be paid with such terms as to amount, repay-

ment period, installments, and interest rate as the Secretary shall determine to be fair and equitable.

“(3) The Secretary may assign any installment contract under this section at such times and on such terms and conditions as he deems appropriate. Any such assignment made at a discount shall be defeasible if within sixty days after receipt of notification of such assignment the original obligor of the assigned contract, or his successors, assigns, or legal representative, shall cause to be received by the Secretary a tender of the amount for which such assignment was made, in which event such tender shall be accepted as full payment of the contract.

“(j) Except in the case of property sold to the highest responsible bidder under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c)(3) of this section, persons purchasing property under this section or their successors, assigns, or legal representatives, shall be entitled to a discount in the purchase price at the time they enter into a purchase contract equal to 5 per centum of its appraised value as established under section 5 and, in the event of incorporation of the municipality within four years from the date of this Act [Aug. 30, 1957], they shall be entitled to an additional discount in the purchase price (or rebate as appropriate) equal to 10 per centum of the aforesaid appraised value.

“(k) In establishing rules and regulations governing sales of property in the town area under this section, and in determining the terms and conditions of such sales other than those prescribed in this Act, the Secretary shall consult with the representatives of the Coulee Dam Community as determined by him.

“SEC. 4. [SECTION AMENDED SECTION 1715n(a)(3) OF TITLE 12, BANKS AND BANKING].

“SEC. 5. [APPRAISALS AND REAPPRAISALS OF VALUE]. The appraised values referred to in section 3 of this Act shall be determined from time to time for a period of five years after the date of this Act [Aug. 30, 1957] by the Administrator of Housing and Home Finance Agency or his designee at the request of the Secretary. Thereafter, the Secretary may make such reappraisals as he deems necessary. Appraisals or reappraisals in the town area shall be made only after representatives of the Coulee Dam community, as determined by the Secretary, and of the Columbia River Commission, or such corresponding organization as may succeed it, have been granted an opportunity to offer advice. All appraisals and reappraisals shall be made on the basis of the properties' fair market value in the locality. In the sale of property to a tenant under subsections 3(b)(1) and (3)(d)(1) of this Act, the value of structural improvements made at such tenant's own expense shall, to the extent the appraiser or appraisers hereunder determine that such improvements actually enhance the value of the property, be deducted from what would otherwise be the appraised value of the property to be sold; and the difference shall be deemed the appraised value for the purposes of this Act.

“SEC. 6. [AUTHORITY OF SECRETARY TO TRANSFER PROPERTY AND FACILITIES]. The Secretary is authorized to transfer without cost out of the properties in his custody within the town and Grand Coulee areas ownership of—

“(a) any Federally owned municipal-type property and facilities together with rights-of-way therefor, equipment, materials, and supplies, in or serving said areas, including but not limited to the sewer, water, fire-alarm, street-lighting, electric feeder lines, and power-distribution systems, and the highways, streets, alleys, sidewalks, parks, and parking areas to the municipality or Grand Coulee if their respective areas are substantially served by such properties. Any such transfer to the municipality, however, will not be made unless the town area or a part thereof is incorporated within four years from the date of this Act [Aug. 30, 1957];

“(b) the school buildings and grounds, athletic fields, tennis courts, and other properties currently

used for educational purposes to the appropriate school district; and

“(c) highway improvements in and connecting the town and Grand Coulee areas and the bridge across the Columbia River, together with the necessary rights-of-way therefor to the State of Washington.

“SEC. 7. [AVAILABILITY OF FUNDS]. (a) There is hereby made available out of the proceeds of sales made pursuant to section 3 of this Act an amount not to exceed \$130,000 for expenditure, directly or through the local units of government involved, for work in connection with the disposal of sewage in the immediate vicinity of the town of Coulee Dam and the city of Grand Coulee, including betterment work on the existing open drain along the north side of the highway through the city of Grand Coulee. Of this amount the Secretary shall pay not more than \$100,000 to Grand Coulee and not more than \$30,000 to the municipality. Except to the extent that any expenditures have been made directly as provided in the preceding sentence, the Secretary shall, upon application, pay to Grand Coulee the amount of \$10,000 and to the municipality the amount of \$3,000 for engineering surveys and drafting of specifications for proposed construction and/or improvement of sewage disposal and drainage facilities. After final drawings and specifications have been approved by the Secretary and the construction contracts have been entered into, the Secretary shall pay monthly to Grand Coulee and to the municipality additional amounts equivalent to earnings under their contracts as evidenced by construction progress reports certified by their contractors and by Grand Coulee and the municipality, but not to exceed a total of \$90,000 for the former and \$27,000 for the latter.

“(b) Subject to the provisions of subsection 9(a) of this Act, the following amounts shall be made available, out of the proceeds of sales made pursuant to section 3 of this Act, to the municipality if incorporated within four years from the date of this Act [Aug. 30, 1957]: (1) On incorporation, \$44,000; (2) at the end of one year after incorporation, \$21,000; and (3) at the end of two years after incorporation, \$15,000.

“(c) The Secretary is hereby authorized to make available as herein provided, as power and energy reserved for the operation and maintenance of the Columbia Basin project, for users in the town area and, to other communities within three and one-half miles of Grand Coulee Dam which are served by municipally owned distribution systems such amount of power and energy as, in his judgment, is needed to meet load requirements for space-heating purposes existing at the time of incorporation of the municipality. Such power and energy may be made available directly to the users or indirectly through distributing agencies, for a period of ten years from the date of this Act [Aug. 30, 1957] and may be at such special rates as the Secretary finds to be proper but at not less than cost.

“SEC. 8. [TAXES ON PROPERTY SOLD UNDER CONTRACTS DEFERRING TRANSFER OF TITLE]. Property sold under any contract deferring transfer of title pending payment of the purchase price upon recordation of such contract in the county records shall be subject to the provisions of the laws of the State of Washington relating to the assessment and collection of property taxes, and to liens for such taxes and to all proceedings for the enforcement thereof, in the same manner and to the same extent as privately owned property. The United States does not assume any obligation for the amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States and to any prior lien reserved to the United States for unpaid installments under sale contracts made hereunder.

“SEC. 9. [PROCEEDS FROM SALES]. (a) All proceeds from sales of property (including the assignment of contracts) authorized under section 2 of this Act are hereby appropriated for expenditure by the Secretary for (1) expenses of disposal of Federal property under this Act, including rebates, where appropriate, to vendees of the United States entitled to the discount pro-

vided under section 3 of this Act for attainment of early incorporation of the municipality, and (2) for purposes authorized in subsection 7(a) and (1) of subsection 7(b) of this Act: *Provided*, That amounts referred to in (2) and (3) of subsection 7(b) of this Act shall be expended only after specific appropriation has been made by Congress therefor. So much of the aforesaid proceeds as is in excess of amounts which may be necessary for expenditures referred to in this subsection shall be covered into the reclamation fund.

“(b) Transfers under this Act of Federal property to non-Federal ownership shall not result in any diminution of the reimbursable costs of the Columbia Basin project except to the extent that any net proceeds from sales of property under this Act are credited to said project.

“SEC. 10 [RIGHTS UNDER LEASES]. Transfers of Federal property under this Act shall not impair rights under leases granted by the United States.

“SEC. 11. [POWERS OF SECRETARY; RULES AND REGULATIONS; APPROPRIATION; CONTRACTS]. (a) The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in any contracts and conveyances such provisions as he deems proper for the purpose of carrying out the provisions of this Act, including provisions for payment for furnishing of municipal facilities and services while such facilities and services are provided by the United States and for the establishment of liens in connection therewith. There are hereby authorized to be appropriated such sums, not otherwise appropriated, as may be required to carry out the purposes of this Act. Wherever in this Act functions, powers, and other duties are conferred upon the Secretary, such functions, powers, and duties may be performed, exercised, or discharged by his duly authorized representatives.

“(b) The Secretary is authorized to enter into contracts with the municipality whereby either party might undertake to render to the other such services in aid of the performance of activities and functions of the municipality and of the Department of the Interior within or near Coulee Dam as will, in the Secretary's judgment, contribute substantially to the efficiency or economy of the operations of the Department of the Interior.

“(c) The authority conferred by this Act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith.

“SEC. 12. [SHORT TITLE]. This Act may be cited as the ‘Coulee Dam Community Act of 1957’.”

### § 835c-1. Taxation and assessments; applicability of State laws

#### (a) Payments in lieu of taxes

The Secretary may enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property situated therein after it is acquired pursuant to the authority of this Act and before execution by the United States of a contract of sale covering it, out of funds derived from the leasing of such lands. The amount so paid for any year upon any such property shall not exceed the taxes that would be paid to the State or subdivision as the case may be upon such property if it were not exempt from taxation thereby.

#### (b) Lands acquired by United States

Any public lands within the project and any lands or interests in lands acquired by the United States under this Act, beginning at such date or dates and subject to such provisions and limitations as may be fixed or provided by regulations made under section 8 [16 U.S.C. 835c-4],

shall be (i) subject to the provisions of the laws of the State of Washington relating to the organization, government, and regulation of irrigation, reclamation, and conservancy districts, and (ii) subject to legal assessment or taxation by any such district, and to liens for such assessments and taxes and to all proceedings for the enforcement thereof, in the same manner and to the same extent as privately owned lands of like character. The United States does not assume any obligation for amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States, to any prior lien reserved to the United States for unpaid installments under land sale contracts made under this Act, and to any lien for any other charges, accrued or unaccrued, under and by virtue of such contracts or any contract between the United States and the district in which the land is located.

#### (c) Sale of project lands

In addition to taxation or assessment under subsection (b) of this section upon execution by the United States of a contract of sale of any lands within the project, the lands under contract may be taxed by the State or political subdivision thereof in the same manner and to the same extent as privately owned lands of a like character. All taxes legally so assessed may be enforced in the same manner and under the same proceeding whereby said taxes are enforced against privately owned lands, subject to the limitations in favor of the United States that govern the enforcement of district assessments or taxes as provided in subsection (b) of this section. If lands under any such contract shall at any time revert to the United States before transfer of title under the contract by reason of default thereunder, all liens or tax titles resulting from taxes levied pursuant to the authority of this subsection upon such lands shall be thereupon extinguished; and the levying of any such tax by such State or political subdivision shall be deemed to be an agreement on its part, in the event of such reversion, to execute and record a formal release of such lien or tax title.

(May 27, 1937, ch. 269, § 5, as added Mar. 10, 1943, ch. 14, 57 Stat. 19; amended Pub. L. 87-728, § 6(a), Oct. 1, 1962, 76 Stat. 679.)

#### REFERENCES IN TEXT

This Act, referred to in subsecs. (a) and (b), is act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, known as The Columbia Basin Project Act, which enacted this section, sections 835, 835a to 835c, and 835c-2 to 835c-5 of this title, and provisions set out as a note under section 835 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 835 of this title and Tables.

#### AMENDMENTS

1962—Subsec. (b). Pub. L. 87-728 struck out “Regulations to carry out this subsection shall be effective when filed for record in the manner provided in section 835a(f) of this title”.

### § 835c-2. Authorization of appropriations; establishment of Columbia Basin Land Development Account

There are authorized to be appropriated, out of any money in the Treasury not otherwise appro-

priated, such moneys as may be necessary to carry out the provisions of this Act, to be reimbursable to the extent required by this Act. All revenues received in carrying out the provisions of section 4 hereof [16 U.S.C. 835c] shall be covered into the General Treasury as miscellaneous receipts. Amounts equal to appropriated funds requisitioned by the Secretary and made available for disbursement on the books of the Treasurer of the United States shall be debited in a special account in the Treasury, to be known as the Columbia Basin Land Development Account. Amounts equal to revenues covered into the General Treasury as miscellaneous receipts shall be credited in said special account. After such credits equal the amount of the debits with interest thereon at the rate of 3 per centum per annum from the respective dates of the debits, additional credits in said special account shall be made by the Secretary, in the manner determined by him, the basis of corresponding credits to the construction cost obligations of the district or districts entering into contracts for the repayment thereof.

(May 27, 1937, ch. 269, § 6, as added Mar. 10, 1943, ch. 14, 57 Stat. 19; amended Pub. L. 87-728, § 6(b), Oct. 1, 1962, 76 Stat. 679.)

#### REFERENCES IN TEXT

This Act, referred to in text, is act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, known as The Columbia Basin Project Act, which enacted this section, sections 835, 835a to 835c-1, and 835c-3 to 835c-5 of this title, and provisions set out as a note under section 835 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 835 of this title and Tables.

#### AMENDMENTS

1962—Pub. L. 87-728 substituted “for the repayment thereof” for “under section 835a of this title”.

#### **§ 835c-3. Repealed. Pub. L. 87-728, § 3, Oct. 1, 1962, 76 Stat. 678**

Section, act May 27, 1937, ch. 269, § 7, as added Mar. 10, 1943, ch. 14, 57 Stat. 20; amended Sept. 27, 1950, ch. 1060, 64 Stat. 1074, related to the consent of the State of Washington to the provisions of sections 835 and 835a to 835c-5 of this title, and to the effect of constitutional limitations.

#### **§ 835c-4. General powers of Secretary of the Interior; delegation to authorized representatives**

The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in contracts relating to the Columbia Basin project such provisions as he deems proper for carrying out the provisions of this Act; and in connection with sales or exchanges under the Act, he is authorized to effect conveyances without regard to the law governing the patenting of public lands. Wherever in this Act functions, powers, or duties are conferred upon the Secretary, said functions, powers, or duties may be performed, exercised, or discharged by his duly authorized representatives.

(May 27, 1937, ch. 269, § 8, as added Mar. 10, 1943, ch. 14, 57 Stat. 20; amended Pub. L. 87-728, § 6(c), Oct. 1, 1962, 76 Stat. 679.)

#### REFERENCES IN TEXT

This Act and the Act, referred to in text, are references to act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, known as The Columbia Basin Project Act, which enacted this section, sections 835, 835a to 835c-3, and 835c-5 of this title, and provisions set out as a note under section 835 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 835 of this title and Tables.

#### AMENDMENTS

1962—Pub. L. 87-728 substituted “contracts relating to the Columbia Basin project” for “the contracts hereinbefore provided for”.

#### TRANSFER OF FUNCTIONS

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

#### **§ 835c-5. Repealed. Pub. L. 87-728, § 3, Oct. 1, 1962, 76 Stat. 678**

Section, act May 27, 1937, ch. 269, § 9, as added Mar. 10, 1943, ch. 14, 57 Stat. 20, related to the consent of the Government to the sale of school and public lands of the State of Washington.

#### **§ 835d. Acquisition of Indian lands, Spokane and Colville Reservations**

In aid of the construction, operation and maintenance of the Columbia Basin project (formerly the Grand Coulee Dam project), authorized by the Act of August 30, 1935 (49 Stat. 1028), the Act of August 4, 1939 (53 Stat. 1187), and the Columbia Basin Project Act (Public, Numbered 8, Seventy-eighth Congress, first session, 57 Stat. 14), there is hereby granted to the United States, subject to the provisions of this section and sections 835e to 835h of this title, (a) all the right, title, and interest of the Indians in and to the tribal and allotted lands within the Spokane and Colville Reservations, including sites of agency and school buildings and related structures and unsold lands in the Klaxta town site, as may be designated therefor by the Secretary of the Interior from time to time: *Provided*, That no lands shall be taken for reservoir purposes above the elevation of one thousand three hundred and ten feet above sea level as shown by Bureau of Land Management surveys, except in Klaxta town site and except where in the judgment of the Secretary of the Interior, special circumstances concerning the reservoir or its operation and maintenance require the taking of land above that elevation; and (b) such other interests in or to any such lands and property within these reservations as may be required and as may be designated by the Secretary of the Interior from time to time for the construction of pipe lines, highways, railroads, telegraph, telephone, and electric-transmission lines



in connection with the project, or for the relocation or reconstruction of such facilities made necessary by the construction of the project.

The Secretary of the Interior, in lieu of reserving rights of hunting, fishing, and boating to the Indians in the areas granted under this section and sections 835e to 835h of this title, shall set aside approximately one-quarter of the entire reservoir area for the paramount use of the Indians of the Spokane and Colville Reservations for hunting, fishing, and boating purposes, which rights shall be subject only to such reasonable regulations as the Secretary may prescribe for the protection and conservation of fish and wildlife: *Provided*, That the exercise of the Indians' rights shall not interfere with project operations. The Secretary shall also, where necessary, grant to the Indians reasonable rights of access to such area or areas across any project lands.

(June 29, 1940, ch. 460, §1, 54 Stat. 703; Dec. 16, 1944, ch. 602, 58 Stat. 813; 1946 Reorg. Plan No. 3, §403, eff. July 16, 1946, 11 F.R. 7876, 60 Stat. 1100.)

#### REFERENCES IN TEXT

Act of August 30, 1935 (49 Stat. 1028), referred to in text, is act Aug. 30, 1935, ch. 831, 49 Stat. 1028, as amended, which act, by section 2, authorized the construction of the Grand Coulee Dam.

Act of August 4, 1939, referred to in text, is act Aug. 4, 1939, ch. 418, 53 Stat. 1187, as amended, popularly known as the "Reclamation Project Act of 1939", which is classified to sections 375a, 387 to 389, 485 to 485h, and 485i to 485k of Title 43, Public Lands. For complete classification of this Act to the Code, see section 485k of Title 43 and Tables.

The Columbia Basin Project Act, referred to in text, is act May 27, 1937, ch. 269, as amended generally by act Mar. 10, 1943, ch. 14, 57 Stat. 14, which enacted sections 835 and 835a to 835c-5 of this title and provisions set out as a note under section 835 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 835 of this title and Tables.

#### AMENDMENTS

1944—Act Dec. 16, 1944, among other changes, inserted reference to the Act of August 4, 1939, and the Columbia Basin Project Act in first par.

#### TRANSFER OF FUNCTIONS

Functions of General Land Office transferred to Bureau of Land Management by Reorg. Plan No. 3 of 1946. See note set out under section 1 of Title 43, Public Lands.

### § 835e. Payment for lands acquired from Spokane and Colville Reservations

As lands or interests in lands are designated from time to time under sections 835d to 835h of this title, the Secretary of the Interior shall determine the amount of money to be paid to the Indians as just and equitable compensation therefor. As to the tribal lands, the amounts so determined shall be transferred in the Treasury of the United States from the funds now or hereafter made available for the construction of the Columbia Basin project to the credit of the appropriate tribe pursuant to the provisions of section 155 of title 25. The amounts due individual landowners or their heirs or devisees shall be paid from funds now or hereafter made available for the construction of said project to the superintendent of the Colville Indian Agency or such

other officer as shall be designated by the Secretary of the Interior for credit on the books of said agency to the accounts of the individuals concerned.

(June 29, 1940, ch. 460, §2, 54 Stat. 703; May 27, 1937, ch. 269, §1, 50 Stat. 208; Mar. 10, 1943, ch. 14, 57 Stat. 14.)

#### CHANGE OF NAME

Act May 27, 1937, as amended by act Mar. 10, 1943, changed name of project from "Grand Coulee Dam" to "Columbia Basin".

#### TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

### § 835f. Use of funds deposited to allottees; land and improvements

Funds deposited to the credit of allottees, their heirs or devisees may be used in the discretion of the Secretary of the Interior, for the acquisition of other lands and improvements, or the relocation of existing improvements or construction of new improvements on the lands so acquired for the allottees or heirs whose lands and improvements are acquired under the provisions of sections 835d to 835h of this title. Lands so acquired shall be held in the same status as those from which the funds were derived, and shall be nontaxable until otherwise provided by Congress.

(June 29, 1940, ch. 460, §3, 54 Stat. 703.)

#### TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

### § 835g. Relocation of Indian cemeteries

As to any Indian cemetery lands required for the project, the Secretary of the Interior is authorized, in his discretion, in lieu of requiring payment therefor, to establish cemeteries on other lands that he may select and acquire for the purpose, and to remove bodies, markers, and other appurtenances to the new sites. All costs incurred in connection with any such relocation shall be paid from moneys appropriated for the project. All right, title, and interest of the Indians in the lands within any cemetery so relocated shall terminate and the grant of title under sections 835d to 835h of this title take effect as of the date the Secretary of the Interior authorizes the relocation. Sites of the relocated cemeteries shall be held in trust by the United States for the Spokane or Colville Tribe, as the case may be, and shall be nontaxable.

(June 29, 1940, ch. 460, §4, 54 Stat. 703.)

#### TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with cer-

tain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

**§ 835h. Acts and regulations by Secretary of the Interior**

The Secretary of the Interior is authorized to perform any and all acts and to prescribe such regulations as he may deem appropriate to carry out the provisions of sections 835d to 835g of this title.

(June 29, 1940, ch. 460, §5, 54 Stat. 704.)

**TRANSFER OF FUNCTIONS**

For transfer of functions of other officers, employees, and agencies of Department of the Interior, with certain exceptions, to Secretary of the Interior, with power to delegate, see Reorg. Plan No. 3 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1262, set out in the Appendix to Title 5, Government Organization and Employees.

**§ 835i. Contracts with State of Washington for maintenance and operation of fish hatcheries**

In connection with fish hatcheries built or to be built as a part of the fish-protection program required on the Columbia Basin Dam project, the Secretary of the Interior is authorized to contract with the State of Washington for the maintenance and operation of any of them at the expense of said State.

(Oct. 9, 1940, ch. 794, 54 Stat. 1085; May 27, 1937, ch. 269, §1, 50 Stat. 208; Mar. 10, 1943, ch. 14, 57 Stat. 14.)

**CHANGE OF NAME**

Act May 27, 1937, as amended by act Mar. 10, 1943, changed name of project from "Grand Coulee Dam" to "Columbia Basin".

**§ 835j. Projects marketing commercial power and energy; consolidated financial statement to President and Congress; adjustment of rates to assure return of reimbursable construction costs within prescribed period**

The Secretary of the Interior shall prepare, maintain, and present annually to the President and the Congress a consolidated financial statement for all projects heretofore or hereafter authorized, including the third powerplant at Grand Coulee Dam, from or by means of which commercial power and energy is marketed through the facilities of the Federal Columbia River power system and for all other projects associated therewith to the extent that the costs of these projects are required by law to be charged to and returned from net revenues derived from the power and energy, or any power and energy, so marketed, and he shall, if said consolidated statement indicates that the reimbursable construction costs of the projects, or any of the projects, covered thereby which are chargeable to and returnable from the commercial power and energy so marketed are likely not to be returned within the period prescribed by law, take prompt action to adjust the rates charged for such power and energy to the extent necessary to assure such return.

(Pub. L. 89-448, §2(a), formerly §2, June 14, 1966, 80 Stat. 200, renumbered Pub. L. 89-561, §6(1), Sept. 7, 1966, 80 Stat. 714.)

**CODIFICATION**

Section is comprised of first sentence of first par. of section 2(a) of Pub. L. 89-448, as so designated by Pub. L. 89-561. Second sentence of the first par. repealed section 832h(c) of this title; second par. of such section 2(a) is classified to section 835k of this title; subsecs. (b) and (c) of section 2 are classified to sections 835l and 835m of this title, respectively.

**TERMINATION OF REPORTING REQUIREMENTS**

For termination, effective May 15, 2000, of provisions of this section requiring annual presentation to Congress of a consolidated financial statement, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 11th item on page 86 of House Document No. 103-7.

**TRANSFER OF FUNCTIONS**

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

**EX. ORD. NO. 8526. COORDINATING THE ELECTRICAL FACILITIES OF GRAND COULEE DAM PROJECT AND BONNEVILLE PROJECT**

Ex. Ord. No. 8526, Aug. 26, 1940, 5 F.R. 3390, as amended by Ex. Ord. No. 12038, §3(a), Feb. 3, 1978, 43 F.R. 4957, provided:

WHEREAS the Bureau of Reclamation is constructing the Grand Coulee Dam Project [now Columbia Basin Project] pursuant to authority delegated under section 2 of the act of August 30, 1935, 49 Stat. 1028, 1039, and in connection therewith will operate and maintain facilities for the generation of electrical power and energy; and

WHEREAS the Bonneville Power Administrator is now disposing of power and energy generated at the Bonneville Project; and

WHEREAS integration and coordination of the electrical facilities of the two projects will be facilitated by a mutual exchange of the electrical power and energy generated at the Bonneville Project and the Grand Coulee Dam Project and by marketing the power and energy from both projects through a single agency:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by section 2 of the act of August 30, 1935, *supra*, and supplementing my letter of January 29, 1936, to the Secretary of the Interior, it is hereby ordered as follows:

1. The Bonneville Power Administrator is hereby designated, under the supervision and direction of the Secretary of Energy, as agent for the sale and distribution of electrical power and energy generated at the Grand Coulee Dam Project and not required for operation of that Project, including its irrigation features.

2. The Administrator shall construct, operate, and maintain the transmission lines and substations and appurtenant structures and facilities necessary for marketing the power and energy delivered to him from the Grand Coulee Dam Project; except that the Bureau of Reclamation may construct, operate, or maintain such transmission facilities as the Secretary of the Interior, in his discretion, deems necessary or desirable. The Bureau of Reclamation and the Administrator, with the approval of the Secretary of the Interior, shall agree upon and schedule the installation of additional generators at the Grand Coulee Dam Project.

3. The Bureau of Reclamation, with the approval of the Secretary of the Interior, shall provide the Administrator with a basic schedule of the power and energy

to be available to him from the Grand Coulee Dam Project. The Bureau, with the Secretary's approval, may revise the schedule from time to time, except that no revision decreasing the amount of power and energy available under an existing schedule shall be effective unless agreed to by the Administrator. The Bureau will make power and energy from the Grand Coulee Dam Project available to the Administrator in accordance with these schedules.

4. The Administrator shall market the power and energy delivered to him from the Grand Coulee Dam Project at rates to be fixed by the Secretary of Energy consistently with all applicable provisions of law and allocations of cost determined as provided thereunder. From time to time the Secretary of Energy, consistently with all applicable provisions of law and allocations of cost made pursuant thereto, shall determine the basis on which the Administrator and the Bureau shall compute the returns to be made to the Bureau for power and energy delivered to the Administrator from the Grand Coulee Dam Project pursuant to this order. All receipts collected by the Administrator from transmission and sale of power and energy shall be deposited with the Treasurer of the United States for credit to a special account, subject to allocation by the Secretary of Energy in accordance with the computations above provided for. Upon certification by the Secretary of Energy, the amounts of receipts properly allocable to the Bonneville Project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts subject to the provisions of section 2 of the act of August 20, 1937, 50 Stat. 731, 732 [16 U.S.C. 832a]. The amounts certified by the Secretary of Energy as being allocable to the Grand Coulee Dam Project shall be covered into the Treasury for credit to the Reclamation Fund to the extent authorized by law.

5. In aid of this delegation of authority to the Secretary of the Interior and the Secretary of Energy, the Commissioner of the Bureau of Reclamation and the Bonneville Power Administrator shall, subject to the approval of the Secretary of the Interior and the Secretary of Energy, and the terms of this order, enter into any and all agreements that are necessary for the interconnection of the Bonneville Project and the Grand Coulee Dam Project and to carry out the provisions of this order.

**§ 835k. Return of construction costs from marketing revenues in event of inability of irrigation water users to repay within repayment period and lack of other sources of revenue**

Subject to the provisions of section 835l of this title, that portion of the construction cost of any project hereafter authorized to be constructed, operated, and maintained by the Secretary of the Interior under the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) within the Pacific Northwest which, though allocated to irrigation, is beyond the ability of the irrigation water users to repay within the repayment period prescribed by law for that project and cannot be returned within the same period from other project sources of revenue shall be charged to and returned within that period from net revenues derived from the marketing of commercial power and energy through the Federal Columbia River power system, unless otherwise provided by law. As used in this section, the term "Pacific Northwest" has the meaning ascribed to it in section 837 of this title.

(Pub. L. 89-448, §2(a), formerly §2, June 14, 1966, 80 Stat. 200, renumbered and amended Pub. L. 89-561, §6(1), (2), Sept. 7, 1966, 80 Stat. 714.)

REFERENCES IN TEXT

Act of June 17, 1902, referred to in text, is act June 17, 1902, ch. 1093, 32 Stat. 388, popularly known as the Reclamation Act, which is classified generally to chapter 12 (§371 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 371 of Title 43 and Tables.

CODIFICATION

Section is comprised of second par. of section 2(a) of Pub. L. 89-448, as so designated by Pub. L. 89-561. First sentence of first par. of such section 2(a) is classified to section 835j of this title; second sentence of such first par. repealed section 832h(c) of this title; subsecs. (b) and (c) of section 2 are classified to sections 835l and 835m of this title, respectively.

AMENDMENTS

1966—Pub. L. 89-561, §6(2), substituted "Subject to the provisions of section 835l of this title, that" for "That".

TRANSFER OF FUNCTIONS

Power marketing functions of Bureau of Reclamation, including construction, operation, and maintenance of transmission lines and attendant facilities, transferred to Secretary of Energy by section 7152(a)(1)(E), (3) of Title 42, The Public Health and Welfare, and are to be exercised by Secretary through a separate Administration within Department of Energy.

**§ 835l. Congressional declaration of financial policy; limitations on assistance; analyses and studies; "net revenues" defined**

It is declared to be the policy of the Congress that reclamation projects hereafter authorized in the Pacific Northwest to receive financial assistance from the Federal Columbia River power system shall receive such assistance only from the net revenues of that system as provided in this section, and that their construction shall be so scheduled that such assistance, together with similar assistance for previously authorized reclamation projects (including projects not now receiving such assistance for which the Congress may hereafter authorize financial assistance) will not cause increases in the rates and charges of the Bonneville Power Administration. It is further declared to be the policy of the Congress that the total assistance to all irrigation projects, both existing and future, in the Pacific Northwest shall not average more than \$30,000,000 annually in any period of twenty consecutive years. Any analyses and studies authorized by the Congress for reclamation projects in the Pacific Northwest shall be prepared in accordance with the provisions of sections 835j to 835m of this title. As used in sections 835j to 835m of this title, the term "net revenues" means revenues as determined from time to time which are not required for the repayment of (1) all costs allocated to power at projects in the Pacific Northwest then existing or authorized, including the cost of acquiring power by purchase or exchange, and (2) presently authorized assistance from power to irrigation at projects in the Pacific Northwest existing and authorized prior to September 7, 1966.

(Pub. L. 89-448, §2(b), as added Pub. L. 89-561, §6(3), Sept. 7, 1966, 80 Stat. 714.)

CODIFICATION

Section is comprised of subsec. (b) of section 2 of Pub. L. 89-448, as added by Pub. L. 89-561. Subsecs. (a) and (c)

of section 2 are classified to sections 835j and 835k, and 835m of this title, respectively.

#### TRANSFER OF FUNCTIONS

Functions of Secretary of the Interior with respect to Bonneville Power Administration transferred to Secretary of Energy by section 7152(a)(1)(D), (2) of Title 42, The Public Health and Welfare, with Bonneville Power Administration to be preserved as a distinct organizational entity within Department of Energy and headed by an Administrator.

#### § 835m. Recommendations for changes in limitations on financial assistance; time and frequency of submission

On December 20, 1974, and thereafter at intervals coinciding with anniversary dates of Federal Energy Regulatory Commission general review of the rates and charges of the Bonneville Power Administration, the Secretary of the Interior shall recommend to the Congress any changes in the dollar limitations herein placed upon financial assistance to Pacific Northwest reclamation projects that he believes justified by changes in the cost-price levels existing on July 1, 1966, or by other relevant changes of circumstances.

(Pub. L. 89-448, §2(c), as added Pub. L. 89-561, §6(3), Sept. 7, 1966, 80 Stat. 715; amended Pub. L. 95-91, title IV, §402(a)(1)(B), Aug. 4, 1977, 91 Stat. 583.)

#### CODIFICATION

Section is comprised of subsec. (c) of section 2 of Pub. L. 89-448, as added by Pub. L. 89-561. Subsecs. (a) and (b) of section 2 are classified to sections 835j and 835k, and 835l of this title, respectively.

#### TRANSFER OF FUNCTIONS

“Federal Energy Regulatory Commission” substituted in text for “Federal Power Commission” pursuant to Pub. L. 95-91, §402(a)(1)(B), which is classified to section 7172(a)(1)(B) of Title 42, The Public Health and Welfare.

Federal Power Commission terminated and its functions, personnel, property, funds, etc., transferred to Secretary of Energy (except for certain functions transferred to Federal Energy Regulatory Commission) by sections 7151(b), 7171(a), 7172(a), 7291, and 7293 of Title 42.

Functions of Secretary of the Interior with respect to Bonneville Power Administration transferred to Secretary of Energy by section 7152(a)(1)(D), (2) of Title 42, with Bonneville Power Administration to be preserved as a distinct organizational entity within Department of Energy and headed by an Administrator.

#### CHAPTER 12E—NIAGARA POWER PROJECT

- Sec.  
836. Authorization to license construction and operation; licensing conditions.  
836a. Rules governing issuance of license.

#### § 836. Authorization to license construction and operation; licensing conditions

(a) The Federal Energy Regulatory Commission is expressly authorized and directed to issue a license to the Power Authority of the State of New York for the construction and operation of a power project with capacity to utilize all of the United States share of the water of the Niagara River permitted to be used by international agreement.

(b) The Federal Energy Regulatory Commission shall include among the licensing conditions, in addition to those deemed necessary and required under the terms of the Federal Power Act [16 U.S.C. 791a et seq.], the following:

(1) In order to assure that at least 50 per centum of the project power shall be available for sale and distribution primarily for the benefit of the people as consumers, particularly domestic and rural consumers, to whom such power shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use, the licensee in disposing of 50 per centum of the project power shall give preference and priority to public bodies and nonprofit cooperatives within economic transmission distance. In any case in which project power subject to the preference provisions of this paragraph is sold to utility companies organized and administered for profit, the licensee shall make flexible arrangements and contracts providing for the withdrawal upon reasonable notice and fair terms of enough power to meet the reasonably foreseeable needs of the preference customers.

(2) The licensee shall make a reasonable portion of the project power subject to the preference provisions of paragraph (1) of this subsection available for use within reasonable economic transmission distance in neighboring States, but this paragraph shall not be construed to require more than 20 per centum of the project power subject to such preference provisions to be made available for use in such States. The licensee shall cooperate with the appropriate agencies in such States to insure compliance with this requirement. In the event of disagreement between the licensee and the power-marketing agencies of any of such States, the Federal Energy Regulatory Commission may, after public hearings, determine and fix the applicable portion of power to be made available and the terms applicable thereto: *Provided*, That if any such State shall have designated a bargaining agency for the procurement of such power on behalf of such State, the licensee shall deal only with such agency in that State. The arrangements made by the licensee for the sale of power to or in such States shall include observance of the preferences in paragraph (1) of this subsection.

(3) The licensee shall contract, with the approval of the Governor of the State of New York, pursuant to the procedure established by New York law, to sell to the licensee of Federal Energy Regulatory Commission project 16 for a period ending not later than the final maturity date of the bonds initially issued to finance the project works herein specifically authorized, four hundred and forty-five thousand kilowatts of the remaining project power, which is equivalent to the amount produced by project 16 prior to June 7, 1956, for resale generally to the industries which purchased power produced by project 16 prior to such date, or their successors, in order as nearly as possible to restore low power costs to such industries and for the same general purposes for which power from project 16 was utilized: *Provided*, That the licensee of